

**CITY OF BUNKIE**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2002**

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KENNETH J. BREAUX, C.P.A.

ROBERT E. MORROW, C.P.A.

December 19, 2002

The Honorable Mayor  
and Members of the Board of Aldermen  
City of Bunkie, Louisiana

I have audited the accompanying primary government financial statements of the City of Bunkie, Louisiana as of June 30, 2002 and for the year then ended. These financial statements are the responsibility of the City's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In my opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the City of Bunkie, Louisiana, as of June 30, 2002, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of the component units of the City of Bunkie, Louisiana, do not purport to, and do not, present fairly the financial position of the City of Bunkie, Louisiana as of June 30, 2002 and the results of its operations and cash flows of its proprietary funds for the year then ended in conformity with generally accepted accounting principles.

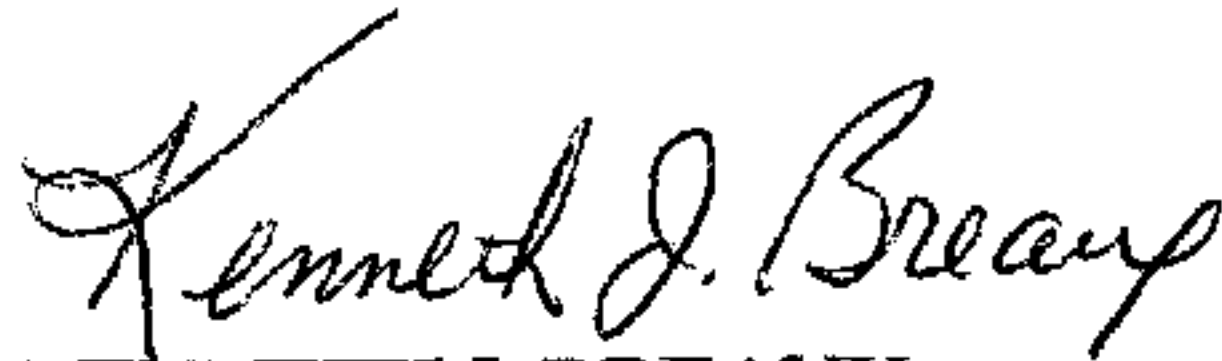
In accordance with *Government Auditing Standards*, I have also issued a report dated December 19, 2002 on my consideration of the City of Bunkie's internal control over financial reporting and its

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compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

My audit was conducted for the purpose of forming an opinion on the primary government financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the primary government financial statements of the City of Bunkie, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in my opinion, is fairly presented in all material respects in relation to the primary government financial statements taken as a whole.



KENNETH J. BREAUX  
CERTIFIED PUBLIC ACCOUNTANT

**CITY OF BUNKIE, LOUISIANA**  
**COMBINED BALANCE SHEET**  
*All Fund Types and Account Groups*  
June 30, 2002

	GOVERNMENTAL FUND TYPES			PROPRIETARY FUND TYPE	ACCOUNT GROUP	TOTALS
	General	Special Revenue	Capital Projects	Enterprise	General Fixed Assets	Memorandum Only
<b>ASSETS</b>						
Cash and cash equivalents	\$ 730,547	\$ 478,663	\$ 63	\$ 516,275	\$ -	\$ 1,725,548
Receivables, net of allowance	37,299	172	-	124,854	-	162,325
Due from other funds	20,305	-	-	-	-	20,305
Due from other governmental units	48,720	60,916	17,598	-	-	127,234
Restricted cash and cash equivalents	18,863	-	-	161,679	-	180,542
Property and equipment, net	-	-	-	5,084,250	4,759,987	9,844,237
<b>TOTAL ASSETS</b>	<u>\$ 855,734</u>	<u>\$ 539,751</u>	<u>\$ 17,661</u>	<u>\$ 5,887,058</u>	<u>\$ 4,759,987</u>	<u>\$ 12,060,191</u>
<b>LIABILITIES AND FUND EQUITY</b>						
<u>Liabilities:</u>						
Accounts and other payables	\$ 115,029	\$ -	\$ 17,598	\$ 20,520	\$ -	\$ 153,147
Payable from restricted assets:						
Bonds payable - current	-	-	-	-	-	-
Accrued interest payable	-	-	-	-	-	-
Customer meter deposits	-	-	-	87,616	-	87,616
Due to other funds	-	20,305	-	-	-	20,305
General obligation bonds payable	-	-	-	1,866,852	-	1,866,852
<b>TOTAL LIABILITIES</b>	<u>\$ 115,029</u>	<u>\$ 20,305</u>	<u>\$ 17,598</u>	<u>\$ 1,974,988</u>	<u>\$ -</u>	<u>\$ 2,127,920</u>
<u>Fund Equity:</u>						
Contributed capital	\$ -	\$ -	\$ -	\$ 3,415,371	\$ -	\$ 3,415,371
Investment in general fixed assets	-	-	-	-	4,759,987	4,759,987
Retained earnings:						
Reserved for bond indenture	-	-	-	161,679	-	161,679
Unreserved	-	-	-	335,020	-	335,020
Fund balances:						
Reserved	18,863	-	-	-	-	18,863
Unreserved	721,842	519,446	63	-	-	1,241,351
<b>TOTAL FUND EQUITY</b>	<u>\$ 740,705</u>	<u>\$ 519,446</u>	<u>\$ 63</u>	<u>\$ 3,912,070</u>	<u>\$ 4,759,987</u>	<u>\$ 9,932,271</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 855,734</u>	<u>\$ 539,751</u>	<u>\$ 17,661</u>	<u>\$ 5,887,058</u>	<u>\$ 4,759,987</u>	<u>\$ 12,060,191</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF BUNKIE, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**

*All Governmental Fund Types*  
*For the Year Ended June 30, 2002*

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Memorandum Totals</u>
<u>Revenues:</u>				
Taxes:				
Ad valorem	\$ 75,547	\$ -	\$ -	\$ 75,547
Sales	250,700	501,398	-	752,098
Other	19,511	-	-	19,511
Licenses and permits	145,831	-	-	145,831
Intergovernmental	353,277	-	104,260	457,537
Utility franchise agreements	176,783	-	-	176,783
Other	117,313	27,294	-	144,607
Total Revenues	<u>\$ 1,138,962</u>	<u>\$ 528,692</u>	<u>\$ 104,260</u>	<u>\$ 1,771,914</u>
<u>Expenditures:</u>				
General government:				
Finance and administration	\$ 458,480	\$ 10,469	\$ -	\$ 468,949
Judicial	46,057	-	-	46,057
Public Safety:				
Fire protection	291,797	-	-	291,797
Police protection	441,063	-	-	441,063
Animal control	9,407	-	-	9,407
Public Works:				
Streets	278,372	-	-	278,372
Airport	29,211	-	-	29,211
Drivers license office	6,028	-	-	6,028
Culture and recreation	54,172	-	-	54,172
Health and welfare	35,583	-	-	35,583
Capital outlay	-	912,263	104,315	1,016,578
Total Expenditures	<u>\$ 1,650,170</u>	<u>\$ 922,732</u>	<u>\$ 104,315</u>	<u>\$ 2,677,217</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (511,208)</u>	<u>\$ (394,040)</u>	<u>\$ (55)</u>	<u>\$ (905,303)</u>
<u>Other financing sources (uses)</u>				
Operating transfers in	586,245	-	69	586,314
Operating transfers (out)	(69)	(244,322)	-	(244,391)
Total other sources (uses)	<u>\$ 586,176</u>	<u>\$ (244,322)</u>	<u>\$ 69</u>	<u>\$ 341,923</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ 74,968</u>	<u>\$ (638,362)</u>	<u>\$ 14</u>	<u>\$ (563,380)</u>
Fund balances, beginning	<u>\$ 665,737</u>	<u>\$ 1,157,808</u>	<u>\$ 49</u>	<u>1,823,594</u>
Fund balances, ending	<u>\$ 740,705</u>	<u>\$ 519,446</u>	<u>\$ 63</u>	<u>\$ 1,260,214</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF BUNKIE, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
*Budget (GAAP Basis) and Actual*  
*General and Special Revenue Funds*  
*For the Year Ended June 30, 2002*

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes:						
Ad valorem	\$ 75,635	\$ 75,547	\$ (88)	\$ -	\$ -	\$ -
Sales	247,000	250,700	3,700	491,500	501,398	9,898
Other	20,000	19,511	(489)	-	-	-
Licenses and permits	134,000	145,831	11,831	-	-	-
Intergovernmental	314,100	353,277	39,177	-	-	-
Utility franchise agreements	200,500	176,783	(23,717)	-	-	-
Other	85,000	117,313	32,313	36,000	27,294	(8,706)
Total Revenues	<u>\$ 1,076,235</u>	<u>\$ 1,138,962</u>	<u>\$ 62,727</u>	<u>\$ 527,500</u>	<u>\$ 528,692</u>	<u>\$ 1,192</u>
<b>Expenditures:</b>						
General government:						
Finance and administration	\$ 461,950	\$ 458,480	\$ 3,470	\$ 10,500	\$ 10,469	\$ 31
Judicial	48,000	46,057	1,943	-	-	-
Public Safety:						
Fire protection	311,000	291,797	19,203	-	-	-
Police protection	449,800	441,063	8,737	-	-	-
Animal control	10,920	9,407	1,513	-	-	-
Public Works:						
Streets	284,300	278,372	5,928	-	-	-
Airport	24,600	29,211	(4,611)	-	-	-
Drivers license office	7,200	6,028	1,172	-	-	-
Culture and recreation	58,550	54,172	4,378	-	-	-
Health and welfare	37,900	35,583	2,317	-	-	-
Capital outlay	-	-	-	912,263	912,263	-
Total Expenditures	<u>\$ 1,694,220</u>	<u>\$ 1,650,170</u>	<u>\$ 44,050</u>	<u>\$ 922,763</u>	<u>\$ 922,732</u>	<u>\$ 31</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (617,985)</u>	<u>\$ (511,208)</u>	<u>\$ 106,777</u>	<u>\$ (395,263)</u>	<u>\$ (394,040)</u>	<u>\$ 1,223</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	674,300	586,245	(88,055)	-	-	-
Operating transfers (out)	-	(69)	(69)	(277,500)	(244,322)	33,178
Total other sources (uses)	<u>\$ 674,300</u>	<u>\$ 586,176</u>	<u>\$ (88,124)</u>	<u>\$ (277,500)</u>	<u>\$ (244,322)</u>	<u>\$ 33,178</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ 56,315</u>	<u>\$ 74,968</u>	<u>\$ 18,653</u>	<u>\$ (672,763)</u>	<u>\$ (638,362)</u>	<u>\$ 34,401</u>
Fund balances, beginning	<u>665,737</u>	<u>665,737</u>	<u>-</u>	<u>1,157,808</u>	<u>1,157,808</u>	<u>-</u>
Fund balances, ending	<u><u>\$ 722,052</u></u>	<u><u>\$ 740,705</u></u>	<u><u>\$ 18,653</u></u>	<u><u>\$ 485,045</u></u>	<u><u>\$ 519,446</u></u>	<u><u>\$ 34,401</u></u>

The accompanying notes are an integral part of the financial statements.

**CITY OF BUNKIE, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN RETAINED EARNINGS**

*Proprietary Fund Type*  
*For the Year Ended June 30, 2002*

	<u>ENTERPRISE FUND</u>	
Operating revenues:		
Charges for services	\$ 704,982	
Delinquent and other charges	38,400	
Total operating revenues		743,382
Operating expenses:		
Salaries and wages	153,488	
Employee benefits	61,208	
Chemicals and supplies	50,399	
Repairs and maintenance	31,963	
Utilities and telephone	76,346	
Gasoline and oil	5,352	
Depreciation	185,398	
Other expenses	29,926	
Inflow and infiltration	47,608	
Total operating expenses		<u>641,688</u>
Operating income		101,694
Non-operating revenues (expenses)		
Interest income	21,443	
Interest expense	(92,681)	
Ad valorem taxes	190,773	
Total non-operating revenues (expenses)		<u>119,535</u>
Income before operating transfers		221,229
Operating transfers in (out)		<u>(341,924)</u>
Net income		(120,695)
Retained earnings, beginning of year		
As Originally Reported	518,769	
Prior Period Adjustment	98,625	
As Restated		<u>617,394</u>
Retained earnings, end of year		<u>\$ 496,699</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF BUNKIE, LOUISIANA**  
**COMBINED STATEMENT OF CASH FLOWS**

*Proprietary Fund Type*  
*For the Year Ended June 30, 2002*

	ENTERPRISE FUND
Cash flows from operating activities:	
Operating income	\$ 101,694
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	\$ 185,398
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(13,525)
Increase (decrease) in payables and accrued expenses	3,913
Increase (decrease) in meter deposits	2,451
Net adjustments	178,237
Net cash provided by operating activities	279,931
Cash flows from non-capital financing activities:	
Operating transfers out	(341,924)
Net cash used by non-capital financing activities	(341,924)
Cash flows from capital and related financing activities:	
Purchase of property and equipment	(7,500)
Ad valorem taxes	190,773
Bond principal payments	(194,188)
Interest payments	(295,120)
Net cash used by capital and related financing activities	(306,035)
Cash flows from investing activities:	
Interest earned	21,443
Net cash provided by investing activities	21,443
Net increase in cash and cash equivalents	(346,585)
Cash and cash equivalents, beginning	1,024,539
Cash and cash equivalents, ending	677,954
Restricted Cash	161,679
Cash and cash equivalents, unrestricted	\$ 516,275

**Supplemental Disclosures:**

During the year ended June 30, 2002, there were no noncash operating, financing, or investing activities.

The accompanying notes are an integral part of the financial statements.

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

June 30, 2002

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Bunkie, Louisiana (the City) was incorporated in 1910 under the provisions of Louisiana Law. The City operates under the Lawrason Act with a Mayor - Board of Aldermen form of government and provides the following functions to its citizenry: public safety (police and fire protection), highways and streets, sanitation, health and social services, culture and recreation, public improvements, utility services (water and sewer), planning and zoning, and general administrative services.

The accounting and reporting policies of the City conform to generally accepted accounting principles as applicable to local governments. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting practices. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Municipal Audit and Accounting Guide* and to the industry audit guide, *Audits of State and Local Governmental Units*. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The following is a summary of the more significant policies.

**FINANCIAL REPORTING ENTITY**

The accompanying financial statements reflect only the primary government of the City of Bunkie. The primary government includes only those funds, organizations, institutions, agencies, departments, and offices that are not legally separate from the City. The financial statements do not include the data of the component units necessary for general purpose financial reporting in conformity with generally accepted accounting principles.

**BASIS OF PRESENTATION**

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements into fund types and account groups as described below.

**Governmental Fund Types** - Governmental funds are those through which general government functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the City's governmental fund types:

**General Fund** - The general fund is the main operating fund of the City. It is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted for a specific purpose are accounted for in this fund.

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

*June 30, 2002*

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Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources restricted to expenditures for specific purposes.

Capital Projects Fund - The capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds) being financed from general obligation bond proceeds, grants, or transfers from other funds.

Proprietary Fund Types - Proprietary funds are accounted for on a flow of economic resources measurement focus. The accounting objectives are a determination of net income, financial position, and changes in cash flow. All assets and liabilities associated with a proprietary fund's activities are included on its balance sheet. Proprietary fund equity is segregated into contributed capital and retained earnings. The following is the City's proprietary fund type:

Enterprise Fund - Enterprise funds are used to account for activities which are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The enterprise fund reported in the financial statements provides water and sewer services to the residents of the City and certain adjacent areas.

Account Groups - An account group is used to establish accounting control and accountability for the City's general fixed assets. The account group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations.

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the City, other than those assets accounted for in the proprietary funds. Capital outlays in funds other than the proprietary funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the General Fixed Assets Account Group.

**MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The governmental fund types use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

*June 30, 2002*

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available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Amounts collected within 60 days of year end are generally considered available. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year.

The proprietary fund types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when they are earned, including unbilled water and sewer services which are accrued. Expenses are recorded at the time liabilities are incurred.

**BUDGETARY CONTROL**

The City Charter establishes the fiscal year as the twelve-month period beginning July 1. The procedures detailed below are followed in establishing the budgetary data reflected in the financial statements.

The City Clerk and Mayor prepare a proposed budget based on an estimate of the revenues expected to be received in the next fiscal year and submits the proposal to the Board of Aldermen by April 30 of each year. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is set.

A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.

As required by state law, the budgets are amended whenever projected revenue fails to meet original expectations or when projected expenditures exceed original expectations. Budgetary amounts are presented as amended and all budgetary appropriations lapse at the end of the fiscal year.

**CASH AND CASH EQUIVALENTS**

For reporting purposes, cash and cash equivalents (restricted and unrestricted) includes all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments maturing in three months or less. Cash restricted for payment as required by law, contract, or agreement is reported separately in the financial statements.

**ENCUMBRANCE ACCOUNTING**

Purchase orders, contracts, and other commitments to engage in future expenditures are referred to as encumbrances. Since encumbrances do not represent liabilities or current expenditures, encumbrances are not reported in the accompanying financial statements.

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

*June 30, 2002*

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**INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

**DUE FROM OTHER GOVERNMENTAL UNITS**

Receivables from other governmental units represent collections of various revenues which are expected to be submitted within sixty days after the close of the fiscal year.

**PROPERTY, PLANT, AND EQUIPMENT**

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. The City has elected to capitalize public domain or "infrastructure" fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost, including interest when material, or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as shown below:

Distribution system and extensions	25 years
Water wells, tanks, lines, pumps, and hydrants	25 years
Wastewater plant upgrade	40 years
Sewer lines and stations	40 years
Water meters	10 years

**LONG-TERM DEBT**

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group. Long-term liabilities for certain general obligation debt and revenue bonds used to construct proprietary fund fixed assets are accounted for in the enterprise funds.

**COMPENSATED ABSENCES**

The City does not accumulate unpaid vacation, sick pay, and other employee benefit amounts because employees are not allowed to carry over significant amounts.

**TOTAL COLUMNS ON COMBINED STATEMENTS – OVERVIEW**

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2002*

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accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

At June 30, 2002, cash and cash equivalents totaled \$1,906,090 (book balance) and \$1,995,292 (bank balance). The book balance included \$180,542 that is classified as restricted, and the remaining \$1,725,548 is considered unrestricted.

Under state law, these deposits must be secured by federal deposit insurance or by the pledge of securities held by the bank. The securities pledged are held in the name of the pledging bank in a custodial bank that is mutually acceptable to both parties (GASB Category 3). At June 30, 2002, deposits were protected by \$497,153 in FDIC coverage and pledged securities with a market value of \$2,732,667. Even though the pledged securities are considered uncollateralized (Category 3), State law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the City that the pledging bank has failed to pay deposited funds on demand.

**NOTE 3: AD VALOREM TAXES**

Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year in which the tax is levied. Property taxes are recognized the revenue is measurable and available. Available means due or past due and collected no longer than 60 days after the close of the current period. For the year ended June 30, 2002, the City levied and collected 5.66 mills of taxes for general corporate purposes of the City. In addition, the City levied 14.25 mills for the payment of general obligation bonds issued to finance construction of the Wastewater Treatment Plant.

**NOTE 4 - RECEIVABLES**

Receivables at June 30, 2002 consisted of the following:

	General Fund	Special Revenue	Enterprise Fund
Charges for services	\$ ----	\$ ----	\$ 126,854
Franchise taxes	36,404	----	----
Other charges	895	172	----
Total receivables	37,299	172	126,854
Less: allowance for uncollectibles	----	----	2,000
Receivables, net of allowance	\$ 37,299	\$ 172	\$ 124,854

**NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables and payables at June 30, 2002 consisted of the following:

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

June 30, 2002

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 20,305	\$ ----
Special Revenue Fund:		
Sales Tax Fund	----	20,305
<b>Totals</b>	<b>\$ 20,305</b>	<b>\$ 20,305</b>

**NOTE 6 - DUE FROM OTHER GOVERNMENTAL UNITS**

Amounts due from other governmental units at June 30, 2002 consisted of the following:

	<u>General Fund</u>	<u>Special Revenue</u>
Sales taxes	\$ ----	\$ 60,916
Fire insurance rebate	14,814	----
Video poker tax	5,357	----
Hotel/motel taxes	6,534	----
Casino revenues	14,494	----
Other	7,521	----
<b>Total</b>	<b>\$ 48,720</b>	<b>\$ 60,916</b>

**NOTE 7 - FIXED ASSETS**

A summary of general fixed asset transactions for the year ended June 30, 2002 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Construction in progress	\$ ----	\$ 124,201	\$ ----	\$ 124,201
Land	222,551	----	----	222,551
Buildings	1,381,732	14,020	----	1,395,752
Infrastructure Improvements	1,162,609	912,263	----	2,074,872
Vehicles	458,427	8,500	11,376	455,551
Equipment	453,432	33,628	----	487,060
<b>Total</b>	<b>\$ 3,678,751</b>	<b>\$ 1,092,612</b>	<b>\$ 11,376</b>	<b>\$ 4,759,987</b>

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

June 30, 2002

A summary of Proprietary Fund Type property, plant, and equipment at June 30, 2002 follows:

	Water System	Sewer System	Total
Well sites and right of way	\$ 45,546	\$ ----	\$ 45,546
Distribution system and equipment	2,442,695	----	2,442,695
Treatment plant and sewer lines	----	5,264,418	5,264,418
Vehicles and equipment	----	172,702	172,702
Subtotal	2,488,241	5,437,120	7,925,361
Less: accumulated depreciation	1,743,119	1,097,992	2,841,111
Net property and equipment	\$ 745,122	\$ 4,339,128	\$ 5,084,250

**NOTE 8: LONG-TERM DEBT**

Long-term debt activity for the year ended June 30, 2002 is summarized as follows:

	Beginning Balance	Additions	Payments	Ending Balance
<b>Proprietary Fund</b>				
General obligation bonds	\$ 2,159,597	\$ ----	\$ 292,745	\$ 1,866,852
Revenue bonds	101,000	----	101,000	----
Total	\$ 2,260,597	\$ ----	\$ 393,745	\$ 1,866,852

Long-term debt outstanding at year end is described as follows:

General Obligation Bonds, dated July 30, 1992, due in annual installments of \$191,592 including principal and interest computed at a rate of 5.0%, maturing July 30, 2017, payable from the proceeds on a special ad valorem tax.	\$ 1,866,852
Less: current portion of long-term debt	----
Long-term portion	\$ 1,866,852

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2002

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A schedule of maturities of long-term debt excluding capital leases is presented as follows:

<u>Year Ended June 30<sup>th</sup></u>	<u>Principle</u>	<u>Interest</u>
2003	\$ ----	\$ ----
2004	98,249	93,343
2005	103,162	88,430
2006	108,320	83,272
2007	137,736	77,856
2008 – 2012	659,887	298,073
2013 – 2017	759,498	115,759
<u>Total</u>	<u>\$ 1,866,852</u>	<u>\$ 756,733</u>

**NOTE 9: PENSION PLANS**

Substantially all employees of the City of Bunkie are members of the Municipal Police Employees' Retirement System of Louisiana or the Municipal Employees' Retirement System. These systems are multiple-employer (cost-sharing) public employee retirement systems (PERS), controlled and administered by separate boards of trustees.

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (SYSTEM)**

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the City participating in the retirement system are members of Plan A. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each municipality, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires covered employees to contribute 9.25 percent of their annual covered salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

*June 30, 2002*

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The System issued an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

**MUNICIPAL POLICE EMPLOYEES RETIREMENT SYSTEM OF LOUISIANA (SYSTEM)**

All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

State statute requires covered employees to contribute 7.5 percent of their annual covered salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The System issued an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 929-7411.

**NOTE 10: COMPENSATION OF ELECTED OFFICIALS**

Per diem payments to the Board of Aldermen and salaries paid to the Mayor for the year ended June 30, 2002 were as follows:

	<u>Position</u>	<u>Amount</u>
Gerard Moreau	Mayor	\$ 21,600
Travis Armand	Alderman	3,625
Lemuel Bassette	Alderman	3,625
Bruce Coulon	Alderman	3,625
Charles Descant	Alderman	3,625
Albert Kelley	Alderman	3,625
		<u>\$ 39,725</u>

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

June 30, 2002

**NOTE 11: COMMITMENTS AND CONTINGENCIES**

The City has been named as a defendant in several lawsuits as of June 30, 2002. These suits are at various stages in the legal system. It is not possible to predict at this time the extent of the City's liability. Losses, if any, are not expected to exceed available insurance coverage.

**NOTE 12: RESERVED FUND BALANCES AND RETAINED EARNINGS**

Various bond covenants require the City to maintain cash reserves that can only be used under specific circumstances. Since these funds are available only under specific circumstances, the amounts are presented as restricted. In addition, the City has collected ad valorem taxes from certain taxpayers that have protested the tax assessment. The protested taxes are being held in escrow until the protest can be resolved.

Amounts reported as restricted assets are summarized as follows:

	General Fund	Proprietary Fund	Totals Memorandum Only
Escrow for ad valorem taxes	\$ 18,863	\$ ----	\$ 18,863
Restricted by bond indenture	----	161,679	161,679
Total restricted assets	18,863	161,679	180,542
Less: payable from restricted assets	----	----	----
Total	\$ 18,863	\$ 161,679	\$ 180,542

**NOTE 13: CONTRIBUTED CAPITAL**

Capital contributions reported by the Proprietary Fund for the year ended June 30, 2002 are summarized as follows:

	Water System Fund	Sewer System Fund	Total
Balance June 30, 2001	\$ 940,736	\$ 2,474,635	\$ 3,415,371
Current contributions	----	----	----
Balance June 30, 2002	\$ 940,736	\$ 2,474,635	\$ 3,415,371

Contributed capital is recorded in the proprietary funds that have received capital grants or contributions and such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on the portion of the assets acquired or constructed from such resources.

**CITY OF BUNKIE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

*June 30, 2002*

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**NOTE 14: RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks of loss are covered by participation in a public entity risk pool that operates as a common insurance program and by acquiring commercial insurance coverage. Claims resulting from these risks have historically not exceeded insurance coverage.

**NOTE 15: ACCOUNTS PAYABLE**

Significant components of accounts payable at June 30, 2002, are presented as follows:

	General Fund	Capital Project Funds	Enterprise Funds
Vendors	\$ 33,767	\$ 17,598	\$ 19,454
Contributions to retirement systems	24,658	----	----
Accrued wages	54,235	----	----
Other	2,369	----	1,066
Total	\$ 115,029	\$ 17,598	\$ 20,520

**NOTE 16 – PRIOR PERIOD ADJUSTMENT**

In 1992, the City issued general obligation bonds to finance construction of its sewer treatment facilities. These bonds require an annual payment of \$191,592 and the bond agreement included an amortization schedule that has been used to allocate payments between principal and interest. However, it has been discovered that the amortization schedule appearing in the bond agreement did not correctly compute principal and interest. Accordingly, during previous years, the amount previously reported as general obligation bonds payable was overstated. An adjustment to increase beginning retained earnings by \$98,625 was necessary in order to correctly report general obligation bonds payable.

# KENNETH J. BREAUX

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KENNETH J. BREAUX, C.P.A.

ROBERT E. MORROW, C.P.A.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

December 19, 2002

The Honorable Mayor and  
Members of the Board of Aldermen  
City of Bunkie, Louisiana

I have audited the financial statements of the City of Bunkie, Louisiana, as of and for the year ended June 30, 2002, and have issued my report thereon dated December 19, 2002. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

## **COMPLIANCE**

As part of obtaining reasonable assurance about whether the City of Bunkie, Louisiana's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance that are required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings and questioned costs as item 2002-1.

## **INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing my audit, I considered the City of Bunkie, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal

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***The Honorable Mayor and  
Members of the Board of Aldermen  
December 19, 2002***

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course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of management, and is not intended to be and should not be used by anyone other than the specified parties. However, this report is a matter of public record and its distribution is not limited.



KENNETH J. BREAUX  
CERTIFIED PUBLIC ACCOUNTANT

# **CITY OF BUNKIE**

## **Schedule of Findings and Questioned Cost** **For the Year Ended June 30, 2002**

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### **PART I - SUMMARY OF AUDITOR'S RESULTS:**

- The Independent Auditor's Report on the primary government financial statements for the City of Bunkie as of June 30, 2002 and for the year then ended expressed an unqualified opinion.
- Reportable conditions were noted in the audit and none of the reportable conditions were considered to be a material weakness.
- The results of the audit disclosed no instances of noncompliance that are considered to be material to the financial statements of the City of Bunkie.

### **PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:**

#### **Finding No. 2002-01 – Financial Reporting:**

State law requires audits to be completed within six months of year end. Due to extraordinary and unexpected events, the City's accounting firm was not able to complete the audit within the required period of time.

### **PART III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS WHICH SHALL INCLUDE AUDIT FINDINGS AS DEFINED BY OMB CIRCULAR A-133:**

- N/A

# **CITY OF BUNKIE**

## **Management's Corrective Action Plan** **For the Year Ended June 30, 2002**

<b><u>SECTION I</u></b> <b>INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.</b>	
No findings were reported in the schedule of findings and questioned costs.	Response – N/A
<b><u>SECTION II</u></b> <b>INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
<b><u>Finding No. 2001-02</u></b> State law requires audits to be completed within six months of year end. Due to extraordinary and unexpected events, the City's accounting firm was not able to complete the audit within the required period of time.	<b><u>Response</u></b> During the past, the City's accounting firm has always delivered the audit in a timely manner. The City has received assurances that the delinquent submission for 2002 is an isolated incident and no further action is considered necessary at this time.
<b><u>SECTION III</u></b> <b>MANAGEMENT LETTER</b>	
No findings were reported in the schedule of findings and questioned costs.	Response – N/A

# **CITY OF BUNKIE**

## **Schedule of Prior Year Findings and Questioned Cost For the Year Ended June 30, 2002**

<b>SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.</b>	
<b><u>Findings</u></b>	<b><u>Response</u></b>
<b><u>Finding No. 2001-01 ( Finding 99-2 &amp; 2000-01)</u></b> The State Constitution places certain restrictions on the use of municipal resources. In general, the City cannot legally loan, pledge, or donate anything of value to any person, association, or corporation. I noted certain transactions that are reductions of bills for utility services delivered to customers. Transactions of this nature could be interpreted as a violation of constitutional provisions. I recommend that management adopt policies regarding adjustments of utility bills and, furthermore, refer any transactions that might potentially violate these constitutional provisions to legal counsel.	<b><u>Resolved (See Finding 2001-01)</u></b> – During the year ended June 30, 2002, the City began furnishing documentation to support its utility bill adjustments. Based on the supporting documentation, the adjustments were valid and did not violate the provisions of State Law.
<b>SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
No findings of the nature were reported as a result of the previous audit.	Response – N/A
<b>SECTION III MANAGEMENT LETTER</b>	
No findings of the nature were reported as a result of the previous audit.	Response – N/A

# **CITY OF BUNKIE, LOUISIANA**

## ***Special Revenue Funds Combining Balance Sheets***

***June 30, 2002***

	<u><i>Sales Tax Fund</i></u>	<u><i>Surplus Bond Fund</i></u>	<u><i>Total</i></u>
<b>Assets</b>			
Cash and cash equivalents	\$ 423,732	\$ 54,931	\$ 478,663
Receivables	172	-	172
Due from other governments	60,916	-	60,916
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Assets</b>	<u><u>\$ 484,820</u></u>	<u><u>\$ 54,931</u></u>	<u><u>\$ 539,751</u></u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities:</b>			
Due to other funds	\$ 20,305	\$ -	\$ 20,305
<b>Total liabilities</b>	<u>20,305</u>	<u>-</u>	<u>20,305</u>
<b>Fund balances:</b>			
Reserved	-	54,931	54,931
Unreserved	464,515	-	464,515
<b>Total fund balances</b>	<u>464,515</u>	<u>54,931</u>	<u>519,446</u>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 484,820</u></u>	<u><u>\$ 54,931</u></u>	<u><u>\$ 539,751</u></u>

# **CITY OF BUNKIE, LOUISIANA**

## **Special Revenue Funds**

### *Combining Statement of Revenues, Expenditures, and Changes in Fund Balances*

*For the Year Ended June 30, 2002*

	<i>Sales Tax Fund</i>	<i>Surplus Bond Fund</i>	<i>Total</i>
Revenues:			
Taxes	\$ 501,398	\$ -	\$ 501,398
Interest	26,009	1,285	27,294
Total revenues	<u>527,407</u>	<u>1,285</u>	<u>528,692</u>
Expenditures			
Collection expense	10,462	-	10,462
Capital Outlay	912,263	-	912,263
Miscellaneous	-	7	7
Total expenditures	<u>922,725</u>	<u>7</u>	<u>922,732</u>
Excess (deficiency) of revenues over expenditures	(395,318)	1,278	(394,040)
Other financing uses:			
Operating transfers out	<u>244,322</u>	<u>-</u>	<u>244,322</u>
Excess (deficiency) of revenues over expenditures and other uses	(639,640)	1,278	(638,362)
Fund balance, beginning	<u>1,104,155</u>	<u>53,653</u>	<u>1,157,808</u>
Fund balance, ending	<u>\$ 464,515</u>	<u>\$ 54,931</u>	<u>\$ 519,446</u>

**CITY OF BUNKIE, LOUISIANA****Capital Projects Funds  
Combining Balance Sheets****June 30, 2002**

	<i>1996 LCDBG Fund</i>	<i>1997 LCDBG Fund</i>	<i>Community Center Fund</i>	<i>ISTEA Fund</i>	<i>Total</i>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ 45	\$ 18	\$ 63
Due from other funds	-	-	-	-	-
Due from other governments	-	-	17,598	-	17,598
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,643</b>	<b>\$ 18</b>	<b>\$ 17,661</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 17,598	\$ -	\$ 17,598
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>17,598</b>	<b>-</b>	<b>17,598</b>
<b>Fund balances:</b>					
Unreserved	-	-	45	18	63
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>18</b>	<b>63</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,643</b>	<b>\$ 18</b>	<b>\$ 17,661</b>

**CITY OF BUNKIE, LOUISIANA**  
*Capital Projects Funds*  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2002

	<i>1996 LCDBG Fund</i>	<i>1997 LCDBG Fund</i>	<i>Community Center Fund</i>	<i>ISTEA Fund</i>	<i>Total</i>
Revenues:					
Intergovernmental	\$ -	\$ -	\$ 104,260	\$ -	\$ 104,260
In-kind services	-	-	-	-	-
Total revenues	-	-	104,260	-	104,260
Expenditures:					
Capital outlay	-	-	104,315	-	104,315
Total expenditures	-	-	104,315	-	104,315
Excess (deficiency) of revenues over expenditures	-	-	(55)	-	(55)
Other financing sources (uses):					
Operating transfers in (out)	(38)	(1)	100	8	69
Total other financing sources (uses):	(38)	(1)	100	8	69
Excess (deficiency) of revenues and other sources over expenditures and other uses	(38)	(1)	45	8	14
Fund balance, beginning	38	1	-	10	49
Fund balance, ending	\$ -	\$ -	\$ 45	\$ 18	\$ 63

# CITY OF BUNKIE, LOUISIANA

## Enterprise Fund Combining Balance Sheet June 30, 2002

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 282,257	\$ 234,018	\$ 516,275
Receivables, net of allowance	71,058	53,796	124,854
Total current assets	<u>353,315</u>	<u>287,814</u>	<u>641,129</u>
Restricted assets:			
Cash	<u>-</u>	161,679	<u>161,679</u>
Property, plant, and equipment:			
Well sites and right of way	45,546	-	45,546
Treatment plant and lines	-	5,264,417	5,264,417
Depreciable assets	2,442,695	172,702	2,615,397
Accumulated depreciation	<u>(1,743,118)</u>	<u>(1,097,992)</u>	<u>(2,841,110)</u>
Total property, plant, and equipment	<u>745,123</u>	<u>4,339,127</u>	<u>5,084,250</u>
Total Assets	<u><u>\$ 1,098,438</u></u>	<u><u>\$4,788,620</u></u>	<u><u>\$ 5,887,058</u></u>
<b>Liabilities and Fund Equity</b>			
Current liabilities:			
Accounts payable	\$ 11,051	\$ 9,469	\$ 20,520
Payable from restricted assets:			
Bonds payable - current portion	-	-	-
Accrued interest	-	-	-
Customer meter deposits	<u>87,616</u>	<u>-</u>	<u>87,616</u>
Total current liabilities	<u>98,667</u>	<u>9,469</u>	<u>108,136</u>
Other liabilities:			
Long-term debt:			
General obligation bonds payable	<u>-</u>	<u>1,866,852</u>	<u>1,866,852</u>
Total liabilities	<u>98,667</u>	<u>1,876,321</u>	<u>1,974,988</u>
Fund Equity:			
Contributed capital	940,736	2,474,635	3,415,371
Retained earnings			
Reserved for bond retirement	-	161,679	161,679
Unreserved	<u>59,035</u>	<u>275,985</u>	<u>335,020</u>
Total fund equity	<u>999,771</u>	<u>2,912,299</u>	<u>3,912,070</u>
Total Liabilities and Fund Equity	<u><u>\$ 1,098,438</u></u>	<u><u>\$4,788,620</u></u>	<u><u>\$ 5,887,058</u></u>

# CITY OF BUNKIE, LOUISIANA

## Enterprise Fund

### Combining Statement of Revenues, Expenses, and Changes in Retained Earnings

For the Year Ended June 30, 2002

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 407,081	\$297,901	\$ 704,982
Delinquent and other charges	38,400	-	38,400
Total operating revenues	<u>445,481</u>	<u>297,901</u>	<u>743,382</u>
Operating expenses:			
Salaries and wages	94,486	59,002	153,488
Employee benefits	28,009	33,199	61,208
Chemicals and supplies	15,780	34,619	50,399
Repairs and maintenance	25,794	6,169	31,963
Utilities and telephone	28,674	47,672	76,346
Gasoline and oil	871	4,481	5,352
Depreciation	38,664	146,734	185,398
Other operating expenses	13,106	16,820	29,926
Inflow and infiltration	-	47,608	47,608
Total operating expenses	<u>245,384</u>	<u>396,304</u>	<u>641,688</u>
Operating income	<u>200,097</u>	<u>(98,403)</u>	<u>101,694</u>
Non-operating revenues (expenses)			
Interest income	7,662	13,781	21,443
Interest expense	(2,600)	(90,081)	(92,681)
Ad valorem taxes	-	190,773	190,773
Total non-operating revenues (expenses)	<u>5,062</u>	<u>114,473</u>	<u>119,535</u>
Income before operating transfers	<u>205,159</u>	<u>16,070</u>	<u>221,229</u>
Operating transfers in (out)			
General Fund	(239,425)	(102,499)	(341,924)
Total transfers in (out)	<u>(239,425)</u>	<u>(102,499)</u>	<u>(341,924)</u>
Net income (loss)	<u>(34,266)</u>	<u>(86,429)</u>	<u>(120,695)</u>
Retained earnings, beginning			
As Originally Reported	93,301	425,468	518,769
Prior Period Adjustment	-	98,625	98,625
As Restated	<u>93,301</u>	<u>524,093</u>	<u>617,394</u>
Retained earnings, ending	<u>\$ 59,035</u>	<u>\$437,664</u>	<u>\$ 496,699</u>